



Memorandum

TO: City Council

FROM: Mayor Ron Gonzales,
Councilmember Chuck Reed

SUBJECT: Extension of Benefits for City
Employees called to Military Duty

DATE: December 13, 2004

Approved:

Date:

San Gonzales *Chuck Reed* *12/13/04*

RECOMMENDATION

Approve the staff recommendations with the following additional direction to the City Manager:

1. Exclude compensation received as an allowance or reimbursement for expenses incurred while on active duty from the calculation of military salary for purposes of determining the amount of supplemental pay.
2. Meet with impacted employees who have returned from active duty and with payroll/finance representatives of military forces to better understand how the City interprets pay stubs received from the military.
3. Develop additional changes to the City's supplemental pay policy, based on the above meetings, to simplify paperwork requirements for city staff and reservists alike.
4. Review the current payroll policy that automatically provides 25% of the employee's salary to be paid if the eligible employee's pay stub has not been submitted yet and develop alternatives to better represent the correct amount owed to the employee, with the goal of avoiding paybacks by reservists while still providing bridge pay during transitions.
5. Work with the City's bargaining units to develop a system that will allow members of the Reserves and National Guard who have not been called to active duty to use flex shifts and flex hours so they can better balance their jobs and the demands of military training when not on active duty.
6. Report back to the City Council with a review of the recommendations above including an analysis of potential savings or costs associated with these recommendations.

7. Apply the Resolution to all members of the Reserves or National Guard who are called to active duty for more than 30 days for any reason prior to the expiration of the Resolution.

BACKGROUND

We should make it possible for our employees to serve our nation, especially during time of war, with minimal red tape and disruption to their families. City employees in the National Guard and military reserves are critical contributors for nation's security both home and abroad, and we are proud of their service to America. Over the past three years many of our employees have been called up to serve active duty, including overseas assignments in dangerous war zones for extended periods of time. For this reason the City Council has approved supplemental pay and benefits for these employees so that they are not penalized for their service.

In determining supplemental pay, the City should take into account the Mayor and Council direction to keep our employees whole while they are on active duty. The War on Terrorism is not confined to any one country and some of our employees may be called up to serve in many different ways and for extended periods of time on multiple occasions. When these employees are called away from their families and their regular jobs with the City, they also may incur expenses for housing, food and travel. When they receive an allowance or reimbursement from the military for those added expenses, there are some payments that should not be viewed as additional salary.

For example, they may be living in overseas military-approved living quarters, but they also still need to pay the mortgage or rent for their family at home. A person on active duty may also receive a military living allowance to assist their families back home, which the city should include in its pay calculation.

In addition, we should be flexible with employees' work schedules to support their military commitments. Employees in the reserves or National Guard but not on active duty may be facing increased time requirements to help support units that have been deployed. The City should develop a system to support these employees so they can continue their commitments to their country during these challenging times.

Our recommendations aim to keep our employees whole while on active duty. The extension of salary and benefits is a small price for the sacrifices of our employees and their families as they serve our country.